

**MINUTES
of the
LOS ALAMOS NATIONAL LABORATORY OVERSIGHT COMMITTEE**

**September 17, 2008
Los Alamos Research Park
Los Alamos**

The meeting of the Los Alamos National Laboratory (LANL) Oversight Committee was called to order at 10:19 a.m. on Friday, September 17, 2008, by Senator Phil A. Griego, co-chair.

Present

Rep. Roberto "Bobby" J. Gonzales, Co-Chair
Sen. Phil A. Griego, Co-Chair
Rep. Thomas A. Anderson
Sen. Richard C. Martinez
Sen. William H. Payne
Rep. Jane E. Powdrell-Culbert
Rep. Debbie A. Rodella
Rep. Nick L. Salazar

Absent

Sen. John T.L. Grubestic
Sen. William E. Sharer

Advisory Members

Sen. Carlos R. Cisneros
Rep. Jeannette O. Wallace

Sen. Dianna J. Duran
Sen. Mary Jane M. Garcia
Rep. Ben Lujan

Staff

Gordon Meeks
Mark Harben

Guests

The guests list is in the meeting file.

Friday, September 17

Welcome to Los Alamos

Robert Gibson, vice chair of the Los Alamos County Council, welcomed the committee. He discussed how the research park was developed to promote diversification, to add to the mission of the laboratory and to broaden the intellectual base away from total dependence on the lab. The lab provides one-third of the jobs in the region, but the lab may be facing some difficult times. To counter the potentially difficult times, diversification is essential. This can be accomplished by taking advantage of the intellectual capacity at the lab and building on it with expanded funding sources to include private enterprise and non-Department of Energy (DOE) government sources. An example of another partner is the inclusion of the Northern New Mexico Development Corporation to regionalize the effort.

Comments from the committee included that:

- É four members of the committee represent Los Alamos;
- É the committee emphasizes the economic health of the region; and
- É Los Alamos County pays for the research park.

Environmental Cleanup Program and Update

George Rael, assistant manager for the National Nuclear Security Administration (NNSA), DOE Site Office, summarized what the site office does. He said that his office's budget for FY09 allows 20 federal employees, but the office would like 10 more. According to Mr. Rael, the office plays a major role in oversight, especially with nuclear sites, by ensuring and documenting the safety levels for the public and the workers at the sites; the office also acts as the co-signatory of environmental permits. Mr. Rael admitted that the performances for FY06 were not acceptable, and some of the managed projects were not completed. In fact, the New Mexico Department of Environment (NMED) was fined for this underperformance, which hurt the relationship between the NMED and the NNSA field office. A concerted effort to improve communication and cooperation between the two organizations is underway, which has improved conditions. He discussed two major problems the NNSA field office is having. First, there is a shortage of drillers for drilling wells because they are active all over the state; the other problem is lack of funding. Currently, the office is negotiating operation permits to conduct its work around Los Alamos and is attempting to maintain a good relationship with the public. The NNSA field office also has to maintain relationships with the CCNY and the pueblos around Los Alamos. An active government-to-government relationship is important, and there are weekly meetings with the county.

Questions and comments from the committee focused on:

- É budgets for cleanup and for oversight by the NMED;
- É the percentage of the cleanup projects that are complete;
- É the status of White Rock and if there are any new contaminated sites there.

Susan Stiger, the associate director for environmental operations at the Los Alamos field office, expressed regret that Michael Anastasio could not attend the meeting due to a University of California board of regent meeting. She presented the program's scope and objectives. She said that the program investigates and cleans contaminated sites as mandated by the DOE/LANL/NMED consent order; disposes of legacy transuranic radioactive waste to WIPP; decontaminates and decommissions legacy nuclear facilities; characterizes, treats and disposes of hazardous and radioactive waste from LANL's ongoing operations; provides long-term comprehensive environmental monitoring; and leads LANL's efforts to demonstrate environmental stewardship and to increase trust with regulators, tribal governments, stakeholders and the public. LANL presents a unique challenge because it is close to residences and businesses, but according to Ms. Stiger, LANL is committed to complying with the consent order and be an environmental steward. There are attempts to retrieve all buried waste at MDA B, and drilling of 18 new monitoring wells is underway. Ms. Stiger discussed the contamination of the canyons in the area,

which is exacerbated by storm water runoff that carries plutonium, cesium and strontium in localized spots. LANL is finalizing plans with the NMED to strengthen runoff control in these canyons and to reduce contaminant transport off site. These plans include: construction of a grade control structure to stabilize erosion at the terminus of the Pueblo Canyon wetland; extension of the wetland and improvements of natural efficiency to trap contaminants; and continued construction of run-on controls to minimize erosive floods. Ms. Stiger also discussed the extra measures needed to comply with the consent order and the transuranic waste disposition progress. She explained the RACER Environmental Data Project, which uses analysis tools to provide the public with internet web-based access to environmental measurement data collected in and around the LANL site by LANL and the NMED.

Questions and comments focused on:

- É the effort being put into analyzing and stabilizing contamination; and
- É if employees and residents have different levels of standards due to different exposure levels.

Technical Research Collaborative and Technology Transfer

Duncan McBranch, the deputy principal associate director for science, technology and engineering at LANL, and Steve Girrens, division leader of the Technology Transfer Division at LANL, gave a presentation about the Technology Research Collaborative and technology transfer. Dr. McBranch discussed the legislated technology transfer mission, stating that the mission is to manage intellectual property, the currency for working with industry; to partner effectively with industry in the service of national security; and to strengthen the national economy by accelerating innovation creation from lab technologies. Dr. McBranch said that because LANL operates further away from commercialization compared to applied engineering labs, such as Sandia National Laboratories, it has to work harder to be more innovative to succeed in commercializing technology from LANL. He explored examples of this commercialization using examples of co-produced water, medical isotopes (radiopharmacy), radiance laser and algae biodiesel. Dr. McBranch provided some of the innovative commercialization initiatives, including the Technology Maturation Fund, training and networking, Northern New Mexico Connect and regional startups and the Los Alamos Venture Acceleration Initiative. The Technology Maturation Fund has had over \$2 million in funding since 2002, with about \$300,000 invested annually in LANL technologies. Dr. McBranch also discussed the Venture Acceleration Fund, stating that it provides up to \$100,000 in investments in regional startups, with six projects funded thus far (with four already resulting in equity investments). The Venture Acceleration Fund has helped companies such as Acoustic Cytometry Systems, CIVA, ApJet, Knowledge Reef Systems, CNT Technologies and Packet Analytics.

Questions and comments focused on:

- É alternative energy projects at LANL, such as wind, solar and algae biodiesel; and
- É projects for cancer diagnosis.

Small Business Assistance Program

Dennis Roybal, the office leader for the Small Business Program at LANL, discussed programs conducted by LANL to work with small businesses. He explained the budgets for LANL and its Small Business Program. Mr. Roybal said the drop in total procurement dollars is due to gross receipts tax and new provisions in the contracts for employee benefits. A significant portion of the contract budget is constrained, according to Mr. Roybal, by large business long-term commitments. Several of the long-term business contractors are actually local employers, employing 1,600 to 2,000 people. LANL is trying to move unconstrained large business commitments to small, local businesses. In order to do this, LANL is utilizing supplier forums for matchmaking; pushing regional purchasing programs; creating mentor-protege agreements; using lower-tier subcontracting plans; and having more small business set-asides. Mr. Roybal also outlined upcoming opportunities at LANL, including telecommunications, custodial services, industrial supplies, VMS/staff augmentation and architect-engineering and safety agreements to be given to local businesses. The mentor-protege agreements involve local companies such as TSAY Construction and Services (Ohkay Owingeh), North Wind (Los Alamos) and Performance Maintenance (Espanola). The program helps companies in many areas, including project management, purchasing management and communications.

Questions and comments focused on:

- É that the long periods of time needed to get contracts can hurt small businesses;
- É how new contracts will affect employees; and
- É that not all of the small businesses involved are actually from New Mexico; there was a request for a list of companies that are being used and which ones are from New Mexico.

Business Mentoring and Other LANL Small Business Initiatives

Lisa Henne, program manager for small business assistance at LANL's Community Programs Office, gave a presentation in place of Mariann Johnston. She provided a history of the New Mexico Small Business Assistance Program (NMSBA), which was established in 2000 and amended in 2007 to include LANL. She said that the services provided do not include giving cash or equipment to companies. The NMSBA's mission is to have a statewide impact on small business critical challenges through customizing and leveraging national laboratory technical expertise and resources to enable New Mexico small businesses to access cutting-edge technology; increase New Mexico small businesses' technological sophistication and capabilities; and share knowledge and resources between lab personnel and small businesses to address small business issues and develop real-world applications. Ms. Henne stated that the NMSBA acts as an advocate for small businesses through an entrepreneurial culture, while also solving small business critical challenges with national laboratory expertise and resources. During the period of 2000 to 2007, more than 2,000 businesses have been assisted, creating 495 jobs and a nearly \$12 million increase in revenue. In 2007 alone, 298 businesses were assisted, spanning 315 projects and totaling \$2.7 million in technical assistance. Ms. Henne explained the benefits that the NMSBA provides LANL, including: staff skill development; enhanced awareness of practical applications for technologies; and partnerships with small businesses. She said there are 12 collaborative projects for 2009 dealing with important issues such as produced water; alternative

energy; waste treatment; wildfire behavioral modeling; sediment management; arsenic and uranium removal; infrastructure analysis; and oil recovery.

Questions and comments focused on:

- É a Carlsbad company that is exploring ways to mechanize algae biodiesel harvesting and if the program is involved with that;
- É evaluations for the program; and
- É involvement in checking the arsenic levels in water sources for individuals.

Kurt Steinhouse from LANL told the committee that the state is getting a return of \$3.00 for every \$1.00 the state invests in the program.

The committee adjourned at 2:22 p.m.